

House Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
House of Representatives
Fiftieth Legislature
First Regular Session
2011

CHAPTER 117

HOUSE BILL 2480

AN ACT

AMENDING SECTION 16-918, ARIZONA REVISED STATUTES; RELATING TO CAMPAIGN
CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 16-918, Arizona Revised Statutes, is amended to read:

16-918. Campaign finance reports; notice; civil penalty; prohibition on candidacy

A. If a political committee fails to file a report in a timely manner as required by this chapter, the filing officer shall send written notice of the delinquency of the report to the political committee and the candidate, in the case of the candidate's campaign committee, or to the designating individual, in the case of an individual's exploratory committee. The notice shall be sent by certified mail within fifteen days after the filing officer determines there may be a failure to file a campaign finance report. The notice shall provide with reasonable particularity the nature of the failure and a statement of the penalties provided in this section.

B. A political committee, or in the case of a candidate's campaign committee, the candidate, or in the case of an exploratory committee, the designating individual, is liable for a late penalty of ten dollars for each day after failure to make or file a campaign finance report that is required pursuant to this chapter up to a maximum of four hundred fifty dollars. FOR FILINGS FOR AN OFFICEHOLDER EXPENSE ACCOUNT PURSUANT TO SECTION 41-133, THE LATE PENALTY IS FIVE DOLLARS FOR EACH DAY AFTER FAILURE TO MAKE OR FILE THE CAMPAIGN FINANCE REPORT, AND THE LATE PENALTY SHALL NOT ACCRUE ON DAYS DURING WHICH THE OFFICE OF THE SECRETARY OF STATE IS NOT OPEN FOR BUSINESS. The filing officer shall not accept a campaign report unless any penalties owed as a result of this section or any penalties imposed pursuant to section 16-924 are paid with the report.

C. A political committee, or in the case of a candidate's campaign committee, the candidate, or in the case of an exploratory committee, the designating individual, that has failed to file within fifteen days after receiving a notice of delinquency pursuant to subsection A of this section is liable for a civil penalty of twenty-five dollars for each subsequent day that the filing is late. This penalty shall be assessed pursuant to section 16-924.

D. For the purposes of this section, there is a failure to make and file a campaign finance report by the treasurer, the designating individual, in the case of an exploratory committee, the candidate, in the case of a candidate's campaign committee, and for all other political committees, the chairman, if any of the following occurs:

1. The report is not filed in a timely manner as prescribed by section 16-913.

2. The report is not signed in accordance with section 16-913.

3. A good faith effort is not made to substantially complete the report as prescribed by section 16-915.

E. It is a defense to an enforcement action brought pursuant to this section if good cause is shown by the treasurer, the designating individual, in the case of an exploratory committee, or the candidate, in the case of a

1 candidate's campaign committee, for the failure to make and file a campaign
2 finance report. For the purposes of this subsection, "good cause" includes
3 an illness or absence from this state at the time the campaign finance report
4 was due or the written notice of delinquency was delivered if the illness or
5 absence reasonably prevented the treasurer, designating individual or
6 candidate from filing the report or receiving the written notice.

7 F. In addition to the enforcement actions prescribed by this section,
8 a person who was a candidate for nomination or election to any local or state
9 office and who after written notice pursuant to this section failed to make
10 and file a campaign finance report as required by this chapter is not
11 eligible to be a candidate for nomination or election to any local or state
12 office for five years after the last failure to make and file a campaign
13 finance report occurred. This penalty shall be imposed as follows:

14 1. A candidate's failure to make and file a campaign finance report
15 with a filing officer for a jurisdiction is grounds for that filing officer
16 to refuse the candidate's nomination paper for any public office in that
17 jurisdiction as described in this subsection.

18 2. A candidate's failure to make and file a campaign finance report
19 with any filing officer is grounds for a filing officer from another
20 jurisdiction to refuse the candidate's nomination paper for any public office
21 on presentation of a certified copy of a final order issued pursuant to
22 section 16-924.

23 G. For a standing political committee, in addition to any late penalty
24 and civil penalty assessed pursuant to this section, if the standing
25 political committee makes a late filing three or more times, the standing
26 political committee is no longer eligible for consolidated filing status
27 pursuant to section 16-913, subsection K and shall make all of its filings in
28 each reporting jurisdiction in which it is active.

29 H. For any political committee that has failed to file three
30 consecutive campaign finance reports with the filing officer as prescribed by
31 section 16-913, the filing officer shall send the committee chairman and
32 treasurer a written notice of intent to suspend the political committee. The
33 notice of intent to suspend shall state that failure of the political
34 committee to fully comply with all filing requirements for that committee,
35 including any required payments, within thirty days of the date of the notice
36 shall result in suspension of the political committee's authority to operate
37 in that jurisdiction. On suspension of the political committee's authority
38 to operate, the filing officer is no longer required to provide any further
39 notice of delinquency to the political committee. This subsection does not
40 reduce or eliminate the political committee's continuing obligation to make
41 campaign finance filings and pay any fines, penalties, civil penalties or
42 other sanctions that may continue to accrue as otherwise provided by law.
43 This subsection does not apply to reports required pursuant to article 2 of
44 this chapter or to a candidate's campaign committee designated by that
45 candidate pursuant to section 16-903 during that election cycle.

~~APPROVED BY THE GOVERNOR APRIL 14, 2011.~~

~~FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 14, 2011.~~

Passed the House March 2, 20 11

by the following vote: 54 Ayes,

3 Nays, 3 Not Voting

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

Passed the Senate April 7, 20 11

by the following vote: 28 Ayes,

2 Nays, 2 Not Voting

[Signature]
President of the Senate

Charmian Bullington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

11 day of April, 20 11

at 2:40 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 14th day of

April

at 2:47 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 14th day of April, 20 11

at 5:07 o'clock P. M.

[Signature]
Secretary of State

H.B. 2480